Message Text

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ACTION ARA-06

INFO OCT-01 SS-14 ISO-00 NSC-05 NSCE-00 INR-07 CIAE-00 L-01

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LIMDIS

ATTN: ARA/PAN - MR. BELL

EO 11652: GDS

TAGS: PFOR, PINS, PN, US, PQ, CU, MASS

SUBJ: CONVERSATION WITH GENERAL TORRIJOS

- 1. GENERAL TORRIJOS INVITED ME FOR A RELAXED TALK YESTERDAY TO OPEN THE NEW YEAR. HE SAID HE HAD NO SPECIAL PROBLEMS TO RAISE BUT THOUGHT THAT A TOUR D'HORIZON WOULD BE USEFUL. HE KNEW I WAS GETTING READY TO LEAVE FOR WASHINGTON AND WISHED TO SEE ME BEFORE DEPARTURE. ESSENTIALS OF ITEMS COVERED FOLLOW.
- 2. TORRIJOS EXPRESSED CONSIDERABLE SATISFACTION WITH THE PROGRESS AND QUALITY OF TREATY NEGOTIATIONS. HE SAID THE TALKS HAD MOVED FASTER THAN HE HAD EXPECTED. HE HOPED WE WOULD HAVE FINAL AGREEMENT IN HAND BY MARCH OR APRIL. HE HAD HIGH PRAISE FOR AMBASSADOR BUNKER'S CANDOR AND GENERAL APPROACH AND SAID U.S. EMBASSY HAD HELPED GREATLY IN CREATING QUOTE RIGHT ATMOSPHERE UNQUOTE AT THIS END.
- 3. ONE PROBLEM MOST ON HIS MIND RIGHT NOW CONCERNS COMPENSATION FORMULA. HE SAID HE COULD NOT ACCEPT IDEA SECRET

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OF U.S. TELLING PANAMA HOW THIS OR THAT PORTION OF

COMPENSATION SHOULD BE SPENT. HE ARGUED THAT PANAMA KNEW WHAT ITS PRIORITIES WERE--FOR IMPROVING MILITARY CAPACITY, FOR ECONOMIC DEVELOPMENT, ETC. IF U.S. INSISTED ON TELLING PANAMA WHAT TO DO WITH COMPENSATION PAYMENT AND HOW TO DO IT, THEN RELATIONSHIP BETWEEN TWO COUNTRIES WOULD REMAIN ESSENTIALLY UNCHANGED. WE WOULD STILL BE QUOTE LITTLE BROTHER UNQUOTE DEALING WITH QUOTE BIG BROTHER UNQUOTE, HE SAID. HE FAVORS SINGLE SUM PAYMENT WITH PANAMA FREE TO USE IT AS HIS GOVERNMENT SEES FIT. I TOLD HIM I UNDERSTOOD HIS POINT CLEARLY AND WOULD REPORT IT DIRECTLY TO AMBASSADOR BUNKER AND OTHERS CONCERNED.

- 4. AS FOR TIME FRAME, I SAID THAT U.S. SIDE SHARED HIS
 HOPE FOR EARLIEST POSSIBLE ACCOMPLISHMENT OF A TREATY
 THAT WAS ACCEPTABLE TO BOTH. BUT I SAID MY RECENT TRIP
 TO WASHINGTON AND TLAKS WITH MEMBERS OF CONGRESS HAD
 INDICATED THAT WE MIGHT HAVE GREATER PROBLEMS WITH
 PUBLIC OPINION AND CONGRESSIONAL ACCEPTANCE THAN GENERALLY
 PERCEIVED. THIS WAS SOMETHING WE BOTH NEEDED TO CONSIDER
 AND WORK TOWARD IMPROVING. HE SAID HE UNDERSTOOD PROBLEM
 AND HAD INSTRUCTED HIS PEOPLE TO WORK CLOSELY WITH US IN
 MEETING THIS DIFFICULTY. HE SAID HE WOULD RESPOND TO MY
 GUIDANCE AND SUGGESTIONS CONCERNING ANYTHING HE COULD DO
 PERSONALLY--SUCH AS MEETING WITH VISITING REPORTERS OR
 EDITORS, ETC. I SAID I WOULD BE DISCUSSING THIS PROBLEM
 WITH MY COLLEAGUES IN WASHINGTON NEXT WEEK AND HE ASKED
 ME TO MEET WITH HIM AS SOON AS I RETURN TO PANAMA.
- 5. TORRIJOS THEN DISGRESSED TO EXPRESS HIS SURPRISE AT RECENT INCIDENT IN NICARAGUA. HE SAID THAT QUOTE IF IT CAN HAPPEN THERE, IT CAN HAPPEN ANYWHERE UNQUOTE. HE SAID IT HAD GIVEN HIM QUOTE NIGHTMARES UNQUOTE WHEN HE CONSIDERED WHAT WOULD HAPPEN IF HIS QUOTE ENEMIES UNQUOTE WERE TO USE SAME TACTICS HERE--GRABBING GOVERNOR OF CANAL ZONE OR AMBASSADOR. THAT COULD QUOTE BLOW EVERYTHING UP UNQUOTE. HE SAID HE CONTINUED TO BE SURPRISED THAT THOSE WHO OPPOSE AGREEMENT WITH THE U.S. HAD BEEN SO QUIET TO DATE. HE SAID HIS PEOPLE WERE WATCHING THINGS CAREFULLY HERE TO PREVENT ANY UNPLEASANT INCIDENT, AND HE HOPED THEY WOULD CONTINUE TO BE SECRET

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SUCCESSFUL. BUT HE REMINDED ME THAT THERE WERE STILL PLENTY OF PEOPLE LOOKING FOR WAYS TO QUOTE BLOW UP THE TREATY UNQUOTE.

6. I ASKED TORRIJOS HOW THINGS WERE GOING IN THEIR NEW ELATIONSHIP WITH CUBA. HE SAID THINGS WERE QUOTE NORMAL UNQUOTE BUT THEY WERE QUOTE WATCHING CLOSELY UNQUOTE. HE INSISTED THERE HAD TO BE COMPLETE QUOTE

RECIPROCITY UNQUOTE IN THE RELATIONSHIP. I REMINDED HIM THAT IN OTHER PLACES THE CUBANS WERE INCLINED TO PUSH THE OUTER LIMITS IN TERMS OF NUMBERS OF PEOPLE ASSIGNED AND THEIR ACTIVITIES. HE RECOGNIZED THIS BUT SAID HE THOUGHT THE CUBANS WOULD BE QUOTE CAREFUL UNQUOTE HERE.

7. I MENTIONED THE ASSIGNMENT OF GABRIEL LEWIS AS LIAISON MAN WITH THE PANCANAL COMPANY AND ASKED HOW TORRIJOS WANTED THE JOB TO EVOLVE. HE SEES IT AS A CHANNEL TO SOLVE PROBLEMS AND, BETTER, TO PREVENT PROBLEMS. HE HAS, AS WE KNOW, HIGH CONFIDENCE IN GABRIEL. HE HOPES IT WILL BE POSSIBLE TO USE THIS CHANNEL AS A WAY TO SHOW PROGRESS IN A PRACTICAL WAY.

8. I MENTIONED THE VEXED PROBLEM OF NON-PAYMENT OF THE 10 PERCENT CHARGE FOR MILITARY ASSISTANCE BEFORE 1974, NOTING THAT CONGRESS HAS NOW ELIMINATED THIS REQUIREMENT FOR MAP AFTER JANUARY 1974. HE SAID THIS GIVES HIM POLITICAL PROBLEMS IN THAT HIS CRITICS WILL USE IT TO SHOW THAT HE IS QUOTE PAYING FOR THE PRIVILEGE UNOUOTE OF HAVING THE U.S. MILITARY IN PANAMA. I SAID IN UNDERSTOOD THE POLITICAL PROBLEM BUT THAT IT WAS A DISTORTION SINCE ALL COUNTRIES RECEIVING MILITARY ASSISTANCE HAD ACCEPTED THE TOKEN PAYMENT REQUIREMENT. TORRIJOS SAID HE WOULD GLADLY PAY THE BILL IF WE COULD FIND SOME FORMULA THAT WOULD ENABLE HIM TO PICTURE IT AS PAYMENT FOR SOME SPECIFIC SERVICE--SUCH AS PILOT TRAINING. I EXPRESSED DOUBTS BUT PROMISED TO LOOK INTO POSSIBILITIES. HE NOTED IN PASSING THAT TACHO SOMOZA OF NICARAGUA HAD TOLD HIM THAT HIS COUNTRY WAS NOT REPEAT NOT PAYING THE 10 PERCENT AND THAT PANAMA SHOULD NOT EITHER, I EXPRESSED SECRET

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SOME SKEPTICISM ABOUT THIS BUT SAID I WOULD LOOK INTO THE FACTS.

9. FINALLY, I MENTIONED THE CONTINUING PROBLEM OF SQUATTERS IN THE ZONE AND RECALLED HIS PROMISE TO TAKE CARE OF THE MATTER. HE RENEWED HIS PLEDGE TO SETTLE THIS, NOTING THAT SOME SQUATTERS HAVE ALREADY BEEN MOVED FROM THE MADDEN DAM AREA AND THAT COL. NORIEGA (G-2) HAS BEEN IN TOUCH WITH GENERAL ROSSON ON THE MATTER. (IT WAS REPORTED IN TODAY'S PAPERS THAT JOINT U.S.-GUARDIA TEAMS ARE CONDUCTING A SURVEY OF THE SQUATTER AREAS.) JORDEN

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